



## AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

December 17, 2012

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These Updates, published by the Executive Office of Health and Human Services (EOHHS) in consultation with the other state agencies involved in ACA implementation, will bring you news related to the implementation of provisions of the ACA here in Massachusetts.

### Guidance

#### **12/13/12 CMS/HHS issued a correction to the final rule, "Medicaid Program; Payments for Services Furnished by Certain Primary Care Physicians and Charges for Vaccine Administration under the Vaccines for Children Program."**

The rule implements §1202 of the Health Care and Education Reconciliation Act (HCERA), passed alongside the ACA, which requires Medicaid agencies to increase primary care payment rates to Medicare levels in calendar years 2013 and 2014 for eligible services delivered by qualified physicians. The increase applies to a specific set of services and procedures that CMS designates as "primary care services." The increase applies to billing codes for a specific set of evaluation and management (E&M) services, and certain vaccine administration services. Increased payment applies to primary care services delivered by a physician with a specialty designation of family medicine, general internal medicine, or pediatric medicine or related subspecialists.

The document corrects technical errors that appeared in the [final rule](#) published in the November 6, 2012 Federal Register entitled "Medicaid Program; Payments for Services Furnished by Certain Primary Care Physicians and Charges for Vaccine Administration under the Vaccines for Children Program."

Read the correction (which was published in the Federal Register on December 14, 2012) at: <http://www.gpo.gov/fdsys/pkg/FR-2012-12-14/pdf/2012-29640.pdf>

**12/10/12 HHS granted conditional approval for the operation of State-Based Health Insurance Exchanges in six states including Massachusetts.** Conditional approval reflects the progress that states have made and the expectation that enrollment in the

Exchange will begin in October 2013 and that coverage through the Exchange for consumers and small businesses will begin in 2014. The other five states awarded conditional approvals are: Colorado, Connecticut, Maryland, Oregon and Washington.

The ACA established **Affordable Insurance Exchanges** (§1311(b)) to provide individuals and small business employees with access to health insurance coverage beginning January 1, 2014. State costs associated with running State-Based Exchange and testing Exchange operations may be funded by grants under §1311(a). States have the option of running either a State-Based Exchange or a State-Federal Partnership Exchange. If a state does not choose either option, a Federally-Facilitated Exchange will operate in that state (§1321).

According to [guidance](#) issued on March 16, 2012, HHS required states to submit an [Exchange Blueprint](#) for Approval for states choosing to do either a **State-Based or State Partnership Insurance Exchange**. The deadline for a Blueprint Application for the operation of a State-Based Exchange was December 14, 2012, an extension from the original deadline of November 16, 2012 in response to letters from Governors who requested more time. States that want to pursue an Exchange in partnership with the federal government will need to submit both a Declaration Letter and Blueprint Application by February 15, 2013. Secretary Sebelius also sent a [letter](#) to Governors urging that states seriously consider establishing a State-Based Exchange or running components of an Exchange.

In addition, HHS released a document on [Frequently Asked Questions \(FAQ\)](#) on Exchanges, Market Reforms and Medicaid. ACA §2001 required states to expand their Medicaid programs to individuals under 65 years of age with incomes at or below 133% FPL. On June 28, 2012 the Supreme Court ruled that **the Medicaid expansion** was optional for states and that the HHS Secretary could not withdraw federal funding from non-expanding states' pre-existing Medicaid programs. The FAQ document clarifies that states that choose to partially expand (or phase-in) Medicaid coverage will not receive 100% federal funding for that coverage expansion, confirming that states must expand Medicaid eligibility to 133% of the FPL in order to receive this enhanced rate as originally laid out in the statute. For example, according to HHS, a state cannot expand coverage to 100% FPL and receive 100% funding from the federal government for that expansion. Analysts have pointed out that this partial expansion would leave those individuals between 100-133% FPL to buy health insurance on the Exchange or remain uninsured. However, in the FAQ, HHS states the agency will consider demonstration proposals now for states that decline to expand coverage to 133% FPL at a regular matching rate.

In addition, according to the FAQ, HHS stated that **State Innovation Waivers** are available to states to test their own innovative strategies to ensure their residents have access to quality and affordable health insurance. These waivers, authorized under §1332, are available in 2017 at a regular matching rate.

HHS clarified that State-Based Exchanges can authorize **qualified health plans** (QHPs) to serve as a bridge plan between Medicaid/CHIP coverage and private insurance to promote continuity of coverage. QHPs are health plans that have been certified by an Exchange, provide essential health benefits (§1301) and follow established limits on cost-sharing (like deductibles, copayments, and out-of-pocket maximum amounts.) This allows individuals transitioning from Medicaid/CHIP to the Exchange to remain with the same issuer and provider network.

Read the Conditional Approval Letter for Massachusetts at:  
<http://cciio.cms.gov/resources/files/ma-blueprint-exchange-letter-12-07-2012.pdf> Read

Secretary Sebelius' blog entry about the announcement at:  
<http://www.healthcare.gov/blog/2012/12/marketplaces121012.html>

Prior guidance can be viewed at [www.healthcare.gov](http://www.healthcare.gov)

## News

**12/14/12 The Patient Center Outcomes Research Institute (PCORI) launched the PCORI Challenge**, a competition to create a system that will connect healthcare researchers and patient partners to advance patient-centered comparative effectiveness research. Created under ACA §6301, PCORI is an independent nonprofit, expected to provide billions in federal funds for studies, and is tasked with conducting patient-centered outcomes research.

PCORI partnered with Health 2.0, a San Francisco-based health technology company, to create the competition, which will award a total of \$50,000 to winning developers in two categories- conceptual model and prototype. A panel of judges, including researchers, technologists, patients and other stakeholders, will assess the entries.

PCORI's funding requirements require that patients and caregivers play a collaborative role throughout the research process, from helping to craft the questions to be studied through the dissemination of research results. The PCORI Challenge seeks to support PCORI's funding approach by promoting development of a system that matches patients and researchers as potential partners interested in patient-centered outcomes research. According to PCORI, the solution could be, "a well-articulated conceptual model, adaptation of an existing matching protocol, a prototype for new web-based service or app, or some combination of these approaches."

Interested developers can learn more and register to enter the challenge at: [www.pcori.org/challenge/](http://www.pcori.org/challenge/)

For more on other funding announcements, visit: [pcori.org](http://pcori.org)

Learn more about PCORI at: <http://www.pcori.org/about/>

**12/11/12 The U.S. Preventive Services Task Force (USPSTF) issued a draft recommendation statement on interventions to prevent tobacco use among children and adolescents.** The proposal recommends that clinicians provide interventions, including education or brief counseling, to prevent initiation of tobacco use among school-aged children and adolescents.

The USPSTF is an independent panel of non-federal government experts that conduct reviews of scientific evidence of preventive health care services. The USPSTF then develops and publishes recommendations for primary care clinicians and health systems in the form of recommendation statements. As part of their recommendations process, the USPSTF will assign definitions to the services they review based on the certainty that a patient will receive a substantial benefit from receiving the benefit. Services that are graded "A" and "B" are highly recommended and the USPSTF believes there is a high certainty that patient will receive a substantial or moderate benefit. USPSTF is accepting comments on the draft recommendation until January 7, 2013. The Task Force will review all comments as it develops its final recommendation on screening for tobacco use.

Under ACA §1001, all of the recommended services receiving grades of "A" or "B" must be provided without cost-sharing when delivered by an in-network health insurance provider in the plan years (or, in the individual market, policy years) that begin on or after September 23, 2010. The USPSTF has recommended a "B" rating for interventions to prevent tobacco use among children and adolescents. **USPSTF also currently recommends that clinicians**

**screen all adults and pregnant women** for tobacco use and provide services to help them quit smoking (both grade "A" recommendations).

Read the news bulletin on the draft recommendation at:

<http://www.uspreventiveservicestaskforce.org/bulletins/tbacbulletin.pdf>

Read the draft recommendation at:

<http://www.uspreventiveservicestaskforce.org/draftrec3.htm>

To comment on the draft recommendation visit:

<http://www.uspreventiveservicestaskforce.org/tfcomment.htm>

Learn more about the USPSTF and the ACA at:

<http://www.healthcare.gov/law/resources/regulations/prevention/taskforce.html>

Bookmark the **Massachusetts National Health Care Reform website**

at: [http://mass.gov/national health reform](http://mass.gov/national_health_reform) to read updates on ACA implementation in Massachusetts.

Remember to check <http://mass.gov/masshealth/duals> for information on the **"Integrating Medicare and Medicaid for Dual Eligible Individuals"** initiative.